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Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Procurement Division

DATE: 20 December 1954

FROM : Chief, Purchase Branch

SUBJECT: Constructive Comments on Written Policy With Which We Are in Disagreement

1. Military Purchase Section

There is a definite overlapping of the functions of the Department of Defense Liaison Section of the Planning Staff and the Military Purchase Section of the Procurement Division. Whether the overlapping be structural or functional, or both, it is an item that needs attention. Frequently there is a duplication of work which is embarrassing when mentioned by the Department of Defense contact and does not reflect favorably upon the Agency. Also to be mentioned is the paradoxical situation in which the Department of Defense contact finds himself when he needs to communicate with someone in the Agency regarding a Logistics matter. It is considered that a clearer delineation of the functions of the two Sections be made.

2. General Purchase Section

a. Delegation of Authority

Under the delegation of authority as it affects this Section it is considered not sufficient as it is presently stated. It is recommended that a further downward delegation be authorized in order that the functions could be more elastic and thereby more efficiently administered. It is considered that the delegations to the Chief, General Purchase Section should also be delegated to at least his assistant.

b. \$2,000 Limitation on Open Market Purchases

(1) In lieu of the current monetary cut-off of \$2,000 between the transactions handled by the General Purchase Section, Purchase Branch, and those of the Contract Branch, it is considered that a more efficient division could be made based primarily on a division of standard and non-standard items, i.e., commercial off-the-shelf type of items which would only require inspection at destination and could be purchased on an advertised basis in an

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overt manner by the General Purchase Section as opposed to the non-standard items which covers all manner of sterility, security and special negotiation be procured by the Contract Branch.

(2) The limitation of \$2,000 would thereby be eliminated and under the definition above stated procurement would be made in unlimited dollar amounts. It is considered that this matter could be satisfactorily worked out by careful consideration of all required operating procedures involving the two Branches concerned.



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